

# The Future of NATO's Mediterranean Initiative

Evolution and Next Steps

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## PREFACE

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In 1994, NATO launched a Mediterranean Initiative aimed at engaging selected nonmember states across the Mediterranean in dialogue on security issues, broadly defined. Since that time, the Initiative has expanded to include six Dialogue countries and has played an important role in raising the level of attention to the Mediterranean in the Alliance as a whole.<sup>1</sup> It continues to serve as a vehicle for promoting positive relations to NATO's south at a time of important evolution in Alliance strategy and activities.

In 1997, RAND undertook a major analysis of the Mediterranean Initiative. Results and recommendations were presented to NATO and Dialogue-country audiences in a RAND report, and briefed at a conference in Rome sponsored by the Italian Ministry of Defense.<sup>2</sup>

In the fall of 1998, the Spanish Ministry of Defense asked RAND to prepare an updated analysis of the Initiative, taking into account continuing changes in the regional environment, Alliance adaptation, and experience with the Initiative over the past year. This report is the product of that effort, and documents findings presented at a major conference in Valencia in February 1999. The Valencia conference itself represented a significant step forward for the Initiative,

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<sup>1</sup>The term "Dialogue countries" refers to the nonmember states now participating in NATO's Mediterranean Initiative: Egypt, Israel, Jordan, Mauritania, Morocco, and Tunisia.

<sup>2</sup>F. Stephen Larrabee, Jerrold Green, Ian O. Lesser, and Michele Zanini, *NATO's Mediterranean Initiative: Policy Issues and Dilemmas*, Santa Monica, CA: RAND, MR-957-IMD, 1998.

with high-level, multilateral discussion among participants from both sides of the Mediterranean.

The research for this report was completed in December 1998 and updated through October 1999. It benefited from extensive discussions with official and unofficial observers in member states, at NATO Headquarters, and in Dialogue countries. It is based on material from publicly available sources.

Research for this report was carried out in the International Security and Defense Policy Center of RAND's National Security Research Division (NSRD), which conducts research for the U.S. Department of Defense, for other U.S. government agencies, and for other institutions.

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## SUMMARY

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NATO's Mediterranean Initiative is acquiring new significance with changes in the strategic environment and changes in NATO itself. Greater attention is being devoted to developments on the southern periphery of the Alliance. Members of the NATO Dialogue will have a shared stake in addressing new security challenges, many of which are transregional and require cooperative strategies in response.

Following up our 1997-98 report, we analyzed the status and outlook for the Initiative in light of changes on both sides of the Mediterranean.

### THE EVOLVING SECURITY ENVIRONMENT

The southern Mediterranean remains a diverse and relatively insecure region in which internal security concerns predominate. As western and central Europe have become more secure, policymakers and strategists are increasingly focused on the longer-term problems of stability and development across the Mediterranean and the implications for European security. The social and economic underpinnings of stability in the south will be shaped, to a considerable degree, by the future of north-south relations in the Mediterranean.

Recent crises have Mediterranean repercussions. Bosnia and Kosovo engage the interests and attention of the south, but also underline questions about the future role of the Alliance and the potential for north-south cooperation in peacekeeping and other operations. The ongoing confrontation with Iraq highlights differences in perspective among allies and around the Mediterranean, as well as the significance of public opinion in the Middle East in shaping attitudes

toward Western intervention. The Iraq crisis also highlights the issue of weapons of mass destruction (WMD) and the capacity for their delivery at longer ranges. This issue is central to the emerging security environment in the Mediterranean as well as to the future role of NATO. In the western Mediterranean, the changing nature of the crisis in Algeria emphasizes the significance of terrorism, spill-overs of political violence, and, above all, energy security. Concern about the mounting dependence of Europe, especially southern Europe, on North African gas has received less attention than the fashionable debate over Caspian oil routes, but will likely prove a key issue in the future.

Migration remains a central and highly politicized issue, despite the fact that migration from south to north has not developed in the dramatic manner forecast earlier in the decade. With developments in the Balkans and elsewhere, however, the problem of disastrous crisis-driven refugee flows has come to the fore and will likely remain an important subject for dialogue and cooperation.

Difficulties in the Middle East peace process influence the security environment, and have complicated north-south as well as transatlantic relations in the Mediterranean. The Arab-Israeli dispute has been the leading obstacle in all Mediterranean initiatives, including the NATO Dialogue. Progress here would have a transforming effect on the substance and composition of the Initiative.

Finally, three models of Mediterranean security can be discerned, with the Mediterranean seen variously as Europe's "near abroad," as a "strategic way-point" to interests further afield, including the Gulf and the Caspian, and as a theater for "cooperative security" along north-south lines. This last model will have special relevance for the future of the Initiative.

## IMPLICATIONS OF NATO'S STRATEGIC TRANSFORMATION

A changing NATO is one of the key influences on the strategic landscape and among the most important factors in the future of the Initiative. The Alliance's new Strategic Concept and the Washington Summit underlined the strategic importance of the Mediterranean in "functional" terms.



The central issues in the continuous debate over NATO adaptation have implications for the way the Alliance is seen in North Africa and the Middle East and the role of the Mediterranean in NATO strategy. A greater focus on the defense of common interests in addition to the traditional defense of member territory implies more attention to the south since this is where many of the new, nontraditional security challenges are likely to arise. A broader definition of security will raise questions in the south about the future orientation of the Alliance and reinforce the need for north-south dialogue to dispel misperceptions about NATO aims. WMD and proliferation risks are part of this equation, and will clearly reinforce interest in the Mediterranean. In addressing WMD and missile risks, it will be important to engage Dialogue states who are themselves exposed—perhaps most exposed—to WMD use around the Mediterranean.

NATO enlargement may similarly acquire a southern dimension. The open-door approach to membership is likely to spur Alliance interest in enlargement as a vehicle for stability in troubled southeastern Europe, with Slovenia, Romania, and Bulgaria as key candidates. This southern expansion would further dilute NATO's traditional focus on central Europe and open new possibilities for engagement in the south.

Collective defense will remain a core Alliance mission, and few members want to see this commitment weakened (Greece and Turkey will have a particularly strong stake in this regard). But non-Article V missions will certainly receive greater attention. Across the Mediterranean, such missions will naturally raise concerns about the geographic purview of the Alliance, and the likelihood of NATO operations in the south. NATO involvement in Bosnia and Kosovo suggests the Alliance is already acting "out-of-area." What about contingencies elsewhere on the European periphery? Together with the related issues of mandates, the European Security and Defense Initiative and power projection capabilities, an expanded scope for NATO action will require greater sensitivity to perceptions in North Africa and the Middle East.

## VIEWS AND PERSPECTIVES OF THE DIALOGUE COUNTRIES

The sources of ambivalence identified in our first report continue to influence the shape of, and outlook for, the Initiative. Dialogue countries have a considerable interest in building a constructive relationship with NATO. But attitudes remain mixed, especially among the Arab members of the Dialogue. In particular, two long-standing concerns—the Arab-Israeli dispute and frictions in the broader north-south relationship—continue to shape perceptions; new movement in the Middle East peace process in the wake of the 1999 Israeli election could have a transforming effect on attitudes toward dialogues with Israel and NATO. Increasingly, these concerns are reinforced by uncertainty and even suspicion about the future role and missions of the Alliance.

As the Initiative has evolved, its center of gravity has subtly shifted from the western and central Mediterranean to the east. Noticeable differences in interest and engagement have emerged. Egypt, Israel, and Jordan are now the most active participants in Initiative activities, with a lively if not always positive debate about relations with the Alliance. Mauritania is favorably disposed. Morocco and Tunisia are, for the moment, more cautious. In short, attitudes toward the Initiative are becoming more highly differentiated, arguing for a greater degree of flexibility and “variable geometry.” There is also a growing interest in expanding membership in the Dialogue as political circumstances permit. In the near-term, many in the south would argue for the inclusion of Algeria.

The wide variety of official and unofficial Mediterranean initiatives continues to give rise to confusion and dialogue fatigue, although most see this as preferable to the strategic neglect of previous decades. There is also an observable spillover effect from disputes in other fora, most notably in relations with the EU. In practical terms, observers cite the self-funding arrangements, lack of early involvement in the development of the Mediterranean Cooperation Group (MCG) work plan, and the diplomatic level of the Dialogue as impediments to cooperation.

Overall, there is a preference that the Dialogue include more region-specific activities, including energy security, terrorism, civil

emergency planning, and the control of sudden refugee flows. More practical, PFP (Partnership for Peace)-like activities in the defense area would be of interest and acceptable to some, but not all, Dialogue participants.

### OTHER MEDITERRANEAN INITIATIVES

No single initiative can address both the longer-term and proximate sources of instability in the region, but a number of overlapping—and in some cases inactive—cooperation frameworks now exist.

The state of the peace process over the last few years has affected other Mediterranean initiatives, especially in the political and security realm. The EU's Barcelona Process continues to be a leading framework for north-south relations in the region. It has been unable to conclude an ambitious Mediterranean security charter, and its potentially important programs in the economic "basket" have suffered from problems in allocating and distributing the funds that have been made available. More broadly, the aid and development aspects of the Barcelona Process, always modest in comparison to resources aimed eastward and the EU's own cohesion spending, face new limits as EU budgets come under pressure. The emerging political-economic landscape in Europe seems unlikely to support high levels of assistance across the Mediterranean.

The Mediterranean Forum and the Organization for Security and Cooperation in Europe's (OSCE) Mediterranean contact group continue to carry forward modest dialogue programs, including a security component. But these initiatives suffer from a lack of practical, substantive cooperation. The Middle East-North Africa (MENA) Summits, a potentially useful vehicle for extending the peace constituency in the economic arena, have essentially collapsed, a victim of stalemate in the Arab-Israeli peace process.

The WEU's Mediterranean Dialogue has continued to develop, and has included some practical exchanges and exercises in the areas of planning and crisis management. Southern Mediterranean states remain especially sensitive to WEU defense efforts in the Mediterranean, in particular EUROFOR and EUROMARFOR, which have attracted an unusual amount of criticism. The leading impediment

to WEU-sponsored dialogue is uncertainty about the future role of the WEU itself.

## THE FUTURE OF THE NATO INITIATIVE

Despite political and practical impediments and a continuing degree of ambivalence in the south, NATO's Mediterranean Initiative can claim some important accomplishments. First, it has been an essential vehicle for information-sharing and dialogue about the Alliance. Understanding strategic perceptions in the south remains a key challenge. This information dimension is set to become more important as NATO evolves. Second, the Initiative provides a framework for confidence-building that can be given greater substance—including true multilateral form—as political circumstances permit. Third, the Initiative has opened the possibility of moving from discussion to practical cooperation in areas of comparative advantage for the Alliance. Fourth, and perhaps most important, the Initiative, including the Mediterranean Cooperation Group, continues to encourage Alliance members themselves to focus greater attention on Mediterranean issues.

## A LONGER-TERM VISION

Political dialogue retains its importance, but further development is now required if Dialogue countries—and key Alliance members—are to remain actively engaged. A longer-term vision is essential:

- *Make the Initiative an integral part of NATO's own strategy toward the south*, both as public diplomacy and as a contribution to Alliance effectiveness.
- *Acknowledge the central role of the EU in the longer-term stability of the Mediterranean.* Regardless of shortcomings, the EU's Mediterranean policies will be important in a region where social and economic challenges predominate. Specific EU-NATO mechanisms for Mediterranean coordination may not be practical. But Mediterranean issues should be high on the agenda of wider EU-NATO dialogue—and even more essential as Europe develops a more active common foreign and security policy.

- *Focus on areas of comparative advantage for the Alliance.* The Dialogue can usefully focus on “soft” security issues. But these should not be confused with the broad-gauge social and economic matters that are more properly handled by the EU. Where possible, the NATO Initiative should begin to foster practical defense-related cooperation with interested partners (as well as civil emergency planning).
- *Emphasize a “cooperative security” model in the Mediterranean as a means of addressing transregional risks.* Let interested partners participate in activities on a “variable geometry” basis to allow a more ambitious agenda.

## POLICY RECOMMENDATIONS

These findings suggest a number of next steps aimed at consolidating and deepening the Mediterranean Initiative.

- Reinforce the nongovernmental dimension and consider establishment of a NATO Mediterranean defense studies network.
- Build a region-specific agenda that will include terrorism, energy security, refugee flows, civil emergency planning, and WMD proliferation; give the Dialogue countries a greater role in developing the MCG work plan.
- Move toward practical, PFP-like defense-related activities. Search and rescue, evacuation, humanitarian and refugee control operations are good starting points. Eventually, provision for formal participation of Dialogue partners in NATO peace support operations (e.g., in combined joint task forces) can be envisioned. Mine clearance (e.g., in Egypt) could also be undertaken in an Initiative framework.
- Give the Initiative a parliamentary dimension by embracing the NATO Parliamentary Assembly’s well-established Mediterranean Dialogue.
- Consider including Algeria—on balance it could contribute to Initiative objectives.

- Increase resources commensurate with the growing importance of the region to NATO, and make exceptions to the self-funding principle where necessary.
- Where possible, conduct some existing bilateral defense exercises within, or "in the spirit of," the Mediterranean Initiative.
- Consider establishing a crisis prevention and confidence-building network for the Mediterranean.
- Make the Mediterranean Initiative a substantive part of the post-Washington Summit agenda. The summit pointed to the importance of Mediterranean security and dialogue, and opened the way to new concrete steps aimed at fostering cooperation and allaying concerns in the south.

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Any errors or omissions are, of course, the responsibility of the authors.

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Chapter One

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**INTRODUCTION**

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When NATO launched its Mediterranean Initiative in late 1994, challenges and opportunities to NATO's south were hardly at the center of Alliance debates. Questions of enlargement and engagement in the east absorbed an overwhelming amount of political energy. In security terms, the Alliance members had a growing sense—underlined by instability in the Balkans and Algeria—that new challenges were emerging outside the center of Europe, and that they would need to grapple with these. But issues related to the Mediterranean remained essentially at the margins of European security and NATO concerns, much as they had throughout the Cold War.

Today, the situation in Europe, around the Mediterranean, and not least within the Alliance itself, is substantially changed. Central and eastern Europe have evolved toward a more stable future, facilitated by decisions on NATO enlargement. Concerns about instability in the south, especially in southeastern Europe, and the future of relations across the Mediterranean have become part of mainstream security discussions on both sides of the Atlantic. Interest in Mediterranean affairs is no longer limited to southern Europe and a few specialists elsewhere. Regardless of how extensive or restricted the model for NATO's future, events on Europe's doorstep will have a marked effect on the security of Europe as a whole. As the final communiqué of NATO's April 1999 Washington Summit emphasized, "security in the whole of Europe is closely linked to security and stability in the Mediterranean."<sup>1</sup> In the future, NATO will of

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<sup>1</sup>NATO Press Communiqué NAC-S(99)64, p. 11.



necessity be more, rather than less, engaged in dialogue and cooperation with nonmember states in North Africa and the Middle East. Moreover as the Alliance evolves and prepares itself for new tasks—all far more likely to be performed on the periphery rather than in the center of Europe—the need for common understanding and cooperation along north-south lines will grow.

As a result, interest in and scrutiny of the Mediterranean Initiative have deepened. The experience of the past few years is being actively discussed, both in NATO and among the Dialogue states. Long-standing issues, including the state of the Middle East peace process, are in flux and will affect the outlook for the Initiative. The experience of Initiative activities points to certain weaknesses as well as some promising areas for development. Overall, two realities stand out: (1) the Initiative is becoming more important in light of the growing prominence of Mediterranean security and changes in Alliance strategy; and (2) Initiative activities now need to evolve, where possible, from dialogue to more substantive cooperation in areas where NATO has a comparative advantage. The following analysis explores both observations in detail.

To the extent that this report was envisioned as a follow-up to the RAND analysis of the Initiative prepared in 1997, we have tried not to go over the same ground. Rather, we have chosen to emphasize what has changed, what has been learned over the past year, and what opportunities now exist for refining and extending the Initiative consistent with Alliance aims. Chapter Two examines the evolving security environment—the context for the Initiative. Chapter Three explores NATO's own strategic transformation and its implications for the Mediterranean. Chapter Four discusses evolving views and perspectives of the Dialogue countries. Chapter Five assesses the status of other relevant Mediterranean initiatives. Finally, Chapter Six discusses the future of the NATO Mediterranean Initiative, providing a longer-term vision together with overall and specific recommendations.

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**THE EVOLVING SECURITY ENVIRONMENT**

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Despite many points of diversity, the Mediterranean security environment as a whole is characterized by some important shared concerns in north-south terms. It is also characterized by marked differences in perspective. These differences may to some extent be explained by varying strategic traditions and historical experiences. Yet two realities stand out: the relative insecurity of the southern Mediterranean as a region, and the primacy of internal security concerns for states in the south. NATO members can be affected, directly and indirectly, by these realities.

**A CONVERGENCE OF SECURITY PERCEPTIONS  
IN THE NORTH**

Post-Cold War Europe is, with some notable exceptions such as the Balkans, a benign region in security terms. Threats to territorial integrity are few or nonexistent. Broader risks to security and prosperity emanating from outside Europe do exist, and are part of evolving debates on both sides of the Atlantic. But hard, military risks to member states are no longer considered pressing and immediate challenges for public policy in most societies within the Alliance. Sources of longer-term strategic unease, including the stability and behavior of Russia, have yet to acquire a tangible “hard” security flavor—except notably in the eastern Mediterranean and the Middle East, where Russian arms and technology transfers are a factor in military balances.

In notable respects the security environment now facing NATO as a whole resembles the environment confronting Alliance “Southern

Region" states during the Cold War—a diversity of concerns rather than a unifying threat, few direct risks to territory, a focus on the comprehensive security of societies, and the centrality of power-projection issues in relations with the United States. This convergence in security perceptions among Alliance members has done a great deal to remove longstanding differences between the northern and southern members of NATO. It has been facilitated by the progressive movement of NATO's southern allies toward the European mainstream in political and economic terms. Turkey, despite its difficulties, has also moved in this direction over the last decade.

As a result, discussion of Mediterranean security and strategy is now of growing interest to the Alliance as a whole. The southern European countries traditionally active in Mediterranean affairs have become more active and capable, and have been joined by countries such as Germany and Britain whose Cold War era concerns lay elsewhere. Even the United States, a European and Middle Eastern power with a longstanding engagement in the Mediterranean, has begun to consider the utility of a more specific Mediterranean policy. To the extent that power-projection concerns play a more central role in NATO strategy, even for traditional NATO missions, the United States is likely to focus even more on relations with member and nonmember states around the Mediterranean as a contribution to European as well as Middle Eastern security.

### **THE CONTINUED PRIMACY OF INTERNAL CONCERNS IN THE SOUTH**

The environment in the south is less benign, with multiple sources of insecurity. Societies across the southern and eastern shores of the Mediterranean are experiencing rapid and uneven economic change. Virtually all of these societies face political challenges capable of altering their longer-term internal and foreign policy orientation. States within the Alliance are not immune to these challenges, but the processes of change within them are far less tumultuous. For the foreseeable future, security agendas in the south will be driven to a considerable extent by internal security concerns. In some countries, such as Algeria, the problem of internal security continues to dominate virtually all aspects of public policy.

The 1998 RAND report<sup>1</sup> on the Mediterranean Initiative noted the tension between stability and change in the southern Mediterranean and the open questions concerning the short- and long-term implications of economic reform in developing societies. Economic crises in Asia, Russia, and Latin America place these questions in sharper relief around the Mediterranean, especially in relation to those Mediterranean Dialogue states engaged in active economic reform programs. As discussed in Chapter Five, more modest expectations regarding the EU's Barcelona Initiative may also influence the outlook for investment, economic growth, and, perhaps, stability in the south.

### THE SIGNIFICANCE OF RECENT CRISES

In the period since our last report, three crises—two new and one ongoing—have unfolded, with important implications for the Mediterranean. First, the crisis in Kosovo, and the NATO response, has special meaning in the Mediterranean context. Like Bosnia, the crisis engaged the interest of decisionmakers and publics on both sides of the Mediterranean. Lack of a Western response in Kosovo would very likely have led to strong criticism in Muslim states, especially among those who fear a “civilizational” evolution of relations on Europe's periphery. At the same time, NATO's intervention in Kosovo has had the effect of extending and reinforcing the Alliance's out-of-area vocation.

The crisis posed difficult dilemmas from a Mediterranean perspective. On the one hand, NATO policy in the Balkans is broadly in alignment with views across the Mediterranean, where popular affinities are engaged on behalf of Muslim communities. On the other hand, the approach to Kosovo suggests a vision of the Alliance—more active outside the Treaty area, more willing to use force in internal crises, and possibly willing to do so without a clear mandate from the international community—that may trouble skeptics in the south. More positively, the Kosovo crisis may encourage wider recognition of the need for closer cooperation

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<sup>1</sup>F. Stephen Larrabee, Jerrold Green, Ian O. Lesser, and Michele Zanini, *NATO's Mediterranean Initiative: Policy Issues and Dilemmas*, Santa Monica, CA: RAND, MR-957-IMD, 1998.

between NATO and southern Mediterranean states in response to regional problems. The involvement of nonmember Mediterranean states in the IFOR/SFOR operations in Bosnia also pointed in this direction.

Second, the rolling crisis with Iraq and the air and cruise missile strikes of December 1998 placed other Mediterranean security issues in sharper relief. The crisis with Iraq has been, in large measure, about the containment of Iraq's weapons of mass destruction (WMD) and ballistic missile programs. It has come against a background of rising attention to proliferation challenges on the European periphery.<sup>2</sup> The implications of Iraq's unconventional military capabilities for relations with neighbors in the Middle East also cannot be ignored by Arab states such as Egypt and Jordan, among others. The crisis highlighted the clear differences in perspective and policy among key Western allies, and, like Kosovo, the striking gap in capacity for the projection of military power between the United States and its allies. These issues would also arise in potential crises around the Mediterranean, where the United States remains an overwhelmingly important military actor, but where the disparity in power-projection capabilities may be less pronounced. Recent EU and NATO initiatives on enhancing the European capacity for military operations, coupled with the precedents of UN-sponsored peacekeeping operations in Albania (Operation Alba) and the predominance of European forces in KFOR, may suggest a more balanced transatlantic security relationship on the European periphery—that is, in the Mediterranean, but not necessarily in regions further afield, such as the Gulf and the Caucasus/Caspian.

The Iraq crisis also reinforced the experience of the Gulf War with regard to public (and much elite) opinion in North Africa and the Middle East. Leaderships may be pragmatic and find considerable strategic rationale for the containment of revolutionary regimes like Iraq. But there continues to be considerable sympathy for Baghdad in its confrontation with the West and, above all, the United States. The primacy of internal security concerns inevitably dictates a policy

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<sup>2</sup>See Thanos Dokos, "Proliferation of Weapons of Mass Destruction and the Threat to NATO's Southern Flank: An Assessment of Options," NATO Research Fellowship, Final Report, June 1998; and Ian O. Lesser and Ashley J. Tellis, *Strategic Exposure: Proliferation Around the Mediterranean*, Santa Monica, CA: RAND, MR-742-A, 1996.

of considerable caution in southern Mediterranean capitals (Israel has its own very different reasons for caution). Similar reactions could be expected in relation to other potential scenarios involving, for example, Libya or Syria. Moreover, policy differences over Iraq are hardly limited to north-south lines, and the existence of transatlantic differences further complicates the southern Mediterranean calculus in relation to Western interventions in the Middle East.

Third, the evolution of the Algerian crisis is significant for the Mediterranean environment as well as the climate for NATO's Mediterranean Initiative. Arguably, the crisis in Algeria inspired or gave impetus to several Mediterranean initiatives. Since the early 1990s, it has driven concerns about the stability of societies facing demographic, economic, and political pressures across the region, and particularly in the western and central Mediterranean. Algeria in the first half of the decade was seen as emblematic of the challenge posed by radical Islamic politics to established regimes. Against this background, policymakers and observers around the Mediterranean focused on the potential for large-scale refugee flows, interruptions of increasingly important energy flows, and the spillover of radical Islam elsewhere in North Africa.

The crisis in Algeria, however violent and troubling, has evolved along different lines than originally anticipated, with rather different implications for the Mediterranean. Informed observers now agree that with the recent decline in violence, the residual turmoil in Algeria is largely divorced from any systematic political or religious agenda. Much violence appears tied to power struggles within the government and the security establishment, as well as within the Islamist opposition. Vendettas and economic terrorism also appear to play roles. The risk today is less the prospect of a revolution and the advent of a radical "fundamentalist" regime than continued violence and instability within a key regional state. To this danger might be added the risk of a more vigorous Algerian nationalism that could threaten the security of its neighbors.<sup>3</sup>

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<sup>3</sup>Recent Algerian arms agreements with Russia, Belarus, and South Africa, including the planned acquisition of 36 Mig-29s, are likely to raise regional concerns about the country's military capability.

Fears of disastrous refugee flows as a result of the Algerian crisis have, similarly, failed to materialize. Instead, there have been spill-overs of terrorism and political violence related to Algeria in France and elsewhere in western Europe. Together with the bombing of American embassies in Kenya and Tanzania, these incidents and the continuing potential for terrorism within Europe by Algerian networks will provide a tangible context for counter-terrorism discussions within NATO and within the Mediterranean Dialogue.

Developments in Algeria, and the opportunity for further evolution offered by leadership changes and prospective amnesty arrangements, are encouraging a reassessment of the crisis and regional responses. Whether the violence in Algeria can be definitively contained remains an open question. Terrorism in Algeria has imposed a form of isolation on a key regional state. NATO and its Dialogue partners should consider whether the evolution of the Algerian problem allows for a constructive dialogue with Algiers, or whether the crisis brings too much hard security "baggage" to a fledgling cooperative security agenda in the Mediterranean (this issue is taken up in greater detail in Chapter Six). Concern over the consequences of the Algerian crisis served as a general stimulus to Mediterranean initiatives in the 1990s. The impasse in Algeria, in the absence of any dramatic escalation of the crisis, has allowed attention to shift to security challenges elsewhere in the Mediterranean. Thus, discussions about Mediterranean security that had been framed around stability in the western and central Mediterranean are increasingly shaped by events further east—in the Aegean, Cyprus, and the Levant—where security problems are "harder" and more military in nature, and where some of the more active participants in Mediterranean diplomacy are to be found.

### TRANSREGIONAL LINKAGES

Recent developments and discussions point to the centrality of transregional links in the Mediterranean security environment. Our 1998 report highlighted several issues encouraging the interdependence of European, Middle Eastern, and North African security. It is worth revisiting and elaborating on some of these issues, including proliferation, energy security, refugee flows, and the Middle East peace process.

It has become fashionable to observe that within a decade major southern European population centers will be within range of ballistic missiles that could be deployed around the Mediterranean basin and in the Middle East. Turkey is already exposed to ballistic missile risks from its Middle Eastern neighbors. Other southern members of NATO face less clear-cut but potentially growing exposure. We have discussed proliferation trends as an issue binding together European and Middle Eastern security and highlighting Europe's potential vulnerability to the retaliatory consequences of allied policy around the Mediterranean and beyond. Two further implications of this trend are worth noting.

First, an important change may arise in NATO's treatment of WMD and missile proliferation as a strategic issue as the geographic exposure of the Alliance progresses to include major member states in central and western Europe. American concern about this issue, as a direct security risk and as a constraint on United States and coalition freedom of action, has pushed proliferation issues to the forefront in alliance debates about future missions. The new Strategic Concept document treats the proliferation challenge in a less ambitious manner than some had envisioned, but proliferation risks and the debate on addressing them are now permanently operating factors in the Mediterranean environment.

Second, proliferation risks are, ultimately, a shared challenge in north-south terms. A generalized tendency exists in Western strategic studies circles to portray WMD and missile proliferation as a risk flowing from south to north. There can be little question that unconventional weapons may give less capable southern states the means to pursue "asymmetric" strategies in confrontations with the West. No less significant (and perhaps more significant in terms of the motives for proliferation), WMDs and the means for their delivery at longer range—aircraft and cruise missiles as well as ballistic missiles—give substantial weight to regional competitors *within* the south. Diverse examples include Iran, Iraq, Libya and its neighbors, and Israel and its neighbors. Algeria's nuclear program was, arguably, an expression first and foremost of the country's sense of its own regional role. As a result, the most likely victims of missile and WMD use are in the south. Indeed, most existing cases of such use



have occurred in the context of south-south conflicts.<sup>4</sup> From the perspective of the Mediterranean Initiative, the controversial issue of proliferation is still worth treating on its merits, but also as an example of a shared risk.

Developments in the area of energy routes and energy security are also reinforcing north-south interdependence in the Mediterranean region. Much attention has been devoted to the outlook for Caspian energy resources and the geopolitical consequences of alternative transport routes. Recent analyses suggest that the contribution of Caspian resources to world energy supply will be important, although more modest than sometimes portrayed. Nonetheless, the development of the region's oil and gas will give Europe and the United States a greater stake in events in the eastern Mediterranean, the Black Sea, and central Asia. In the years ahead, developments to the east of Turkey and around the Black Sea may be seen as an integral part of the wider Mediterranean security environment. Balkan states, including Greece, will also have a stake in decisions regarding longer-term transport routes for Caspian oil. Both the Black Sea route and the proposed Baku-Ceyhan pipeline would contribute to the role of the Mediterranean as an energy entrepôt.

Less attention has been devoted to the growing reliance of Mediterranean and southern European states on North African gas. Europe has become dependent on North Africa for some 25 percent of its gas requirements, with far higher levels of dependence in France and southern Europe. Spain already relies on Algeria for roughly 40 percent of its supply. Portugal is similarly dependent. These figures are likely to increase significantly over the next decade as gas continues to be a fuel of choice and as new pipelines are developed. Most of this supply reaches Europe through two routes, the Trans-Med line linking Italy and North Africa, and the new Trans-Maghreb pipeline supplying Algerian gas to Spain and Portugal (as well as France, Belgium, and Germany) via Morocco. Planning is underway to expand the existing Libya-Italy link, and to provide Libyan gas to Egypt. In the eastern Mediterranean new gas routes are planned to

<sup>4</sup>For example, the "war of the cities" during the Iran-Iraq conflict, Iraq's Scud attacks during the Gulf War (although a south-north dimension clearly existed in this case as well—and Israel is, arguably, part of the north), and the Yemeni civil war.

link the Gulf, Turkey, and Israel. New pipelines from the Caucasus and central Asia may eventually provide gas to eastern and central Europe.<sup>5</sup> As a result, by the early 21st century "Europe will be profoundly tied into the Mediterranean region by its dependence on energy supplies."<sup>6</sup> And unlike oil, the gas market remains regional rather than global, with much fixed infrastructure and far less flexibility to respond to supply interruptions.

These new links bind together the economic and security futures of diverse states around the Mediterranean. As NATO's Mediterranean Initiative evolves, energy security is likely to be a rising item on the agenda for dialogue. Interests in this issue are shared—it has many "soft security" as well as technical dimensions—and NATO may find itself compelled to think more seriously about the defense of common energy security interests. In the case of North African gas, cross-border links may well contribute to economic interdependence, stability, and even confidence-building. The risks to regional gas supply are far more likely to flow from turmoil in producer or transit states than from deliberate cutoffs. More problematic from the perspective of the Initiative is the key role played by Algeria and Libya in this equation, and the difficulty, especially in the case of Libya, of bringing these countries into the Dialogue.

Migration is another leading challenge linking the security of states on both sides of the Mediterranean. Stringent policies in Europe, and some improvement in the demographic situation to the south, have resulted in a migration picture falling well short of the dramatic scenarios many observers predicted earlier in the decade. Yet, the demographic and economic gap between north and south continues to widen in the Mediterranean region, and immigration remains a highly politicized issue in Europe. As our last report discussed, the security aspects of this question arguably have as much to do with the controversial notion of "security of identity," i.e., cultural fears, as with more tangible economic considerations.<sup>7</sup> The progressive

<sup>5</sup>George Joffé, "The Euro-Mediterranean Partnership: Two Years After Barcelona," Middle East Programme *Briefing* (London: RIIA), No. 44, May 1998, p.2.

<sup>6</sup>Joffé, p.2.

<sup>7</sup>On the question of "security of identity," see the discussion in Fernanda Faria and Alvaro de Vasconcelos, "Security in North Africa: Ambiguity and Reality," *Chaillot Paper No. 25*, Paris: WEU Institute for Security Studies, September 1996.

reduction of border controls within Europe has also had the effect of shifting responsibility for the control of illegal migration to states on the European periphery. Discussion of migration issues will undoubtedly remain central to relations between north and south in the Mediterranean, but is likely to be difficult and inappropriate for NATO to take up with Dialogue partners.

The challenge of sudden, disastrous refugee flows is a feature of the Mediterranean security environment. This issue has been especially evident in southeastern Europe (e.g., in the Balkans and across the Adriatic), but potentially large refugee movements can be envisioned elsewhere, from North Africa to the Caucasus. Cooperation in managing these crises is likely to emerge as an increasingly central task for NATO, as well as for non-NATO Mediterranean states. Moreover, this is not simply a north-south issue. Several Dialogue countries face refugee problems on their own borders, in some cases from their own "south." Unlike the general issue of migration, the control of unanticipated refugee flows is an issue that can usefully be addressed within the NATO Dialogue.

Lastly, developments in the Middle East peace process continue to influence the overall security environment in the Mediterranean, and have traditionally inhibited progress on all Mediterranean initiatives. The outlook following the 1999 Israeli elections remains an open question, although there are now some new and very positive signs. Beyond the effects of "stalled peace"—not to mention reversals in the peace process—on the general climate for dialogue, the status of the bilateral and multilateral tracks of the process has had more specific negative consequences for the NATO Initiative. Key issues, such as the question of WMD proliferation, become difficult to address in north-south terms, just as the evolution of NATO's own strategy makes it all the more important to do so. The confidence-building objectives of the Dialogue lose much of their potential value in the absence of a true multilateral (rather than multi-bilateral) framework for the Initiative. This is especially true because many of the most serious security problems in the region are south-south rather than north-south in nature. New progress in the peace process could facilitate critical, multilateral dialogue.

Frustration over the state of the peace process has also complicated transatlantic approaches to the region.<sup>8</sup> From an American perspective, Mediterranean initiatives have often been perceived as distracting elements in the Middle East equation. A more active EU, pursuing a more ambitious Common Foreign and Security Policy (CFSP), is likely to seek a more central political role in the process in accordance with its economic contributions. Indeed, Europe is likely to see the environment in the Middle East, including the Arab-Israeli dispute and North African issues, as part of a wider Mediterranean complex affecting European security and prosperity. Progress toward the resolution of Arab-Israeli disputes would have a transforming effect on the outlook for NATO's Mediterranean Initiative, as well as the Euro-Mediterranean partnership.

### THREE MODELS OF MEDITERRANEAN SECURITY

One of the leading factors in the evolution of the strategic environment in the Mediterranean will be the future of NATO's own approach to the region and individual states in the south. The state of this debate and likely outcomes are taken up below. But several models of Mediterranean security are worthy of consideration, each of which has distinctive implications for NATO strategy and the character of the Mediterranean Initiative.<sup>9</sup> The models are not mutually exclusive and the future environment is likely to reflect elements of each.

The first model is evolutionary and views the Mediterranean as a natural extension of the European space, albeit one with growing significance for European security. In this conception, the Mediterranean is essentially seen as Europe's "near abroad"—a place of special interest in political, economic, and defense terms. This model is potentially well-balanced in transatlantic terms, as the EU will continue to be an overwhelmingly important actor in the future devel-

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<sup>8</sup>See Philip H. Gordon, *The Transatlantic Allies and the Changing Middle East*, Adelphi Paper No. 322, London: International Institute for Strategic Studies, 1998.

<sup>9</sup>For further discussion of these models, see Ian O. Lesser, "The Changing Mediterranean Security Environment: A Transatlantic Perspective," in George Joffé, ed., *Perspectives on Development: The Euro-Mediterranean Partnership*, London: Frank Cass, 1999.

opment of the region. Even in military terms, areas such as North Africa and the Balkans are close enough geographically for Europe to play a leading role in crisis management. For NATO, this model is limited enough to fall within consensus notions of the future scope and role of the Alliance (many of the future functional missions for NATO, including peacekeeping, are far more likely to be performed on Europe's southern periphery than in central and eastern Europe). This near-abroad model is, in many respects, descriptive of the prevailing approach in NATO as well as the EU. From the perspective of southern Mediterranean states, this model implies the uncomfortable idea that new risks are emanating from the south, but it also suggests more active Western involvement in addressing the south's internal and regional problems—problems that cannot be addressed effectively without attention from across the Mediterranean.

A second model is more global in nature and, in political terms, views a more active transatlantic approach to the Mediterranean as a logical first step toward a broader security partnership extending to areas beyond the Mediterranean basin. The Mediterranean in this conception is seen as a "strategic waypoint." In defense terms, this model emphasizes power projection, and is for that reason relatively U.S.-centered. It may also imply a more active role for Europe in the Middle East and the Gulf, as well as closer transatlantic cooperation with countries in North Africa and the Middle East. Geopolitically, this model is a conception that looks to areas of interest beyond the Mediterranean basin itself, including the Gulf, the Caucasus, and Central Asia. This approach to Mediterranean security is difficult for southern states (with the exception of Israel) to accept without reservation, even where longer-term interests may coincide, as in the Gulf. Public acceptance problems suggest that this model is one that NATO's Dialogue partners will wish to hold at arm's length.

The third model treats the Mediterranean as, above all, a theater for relations between north and south in security terms. Here, the strategic thrust is to promote dialogue and cooperation to forestall frictions and conflict along "civilizational" or have-and-have-not lines. In a practical sense, and for European and transatlantic institutions, this approach can go beyond confidence-building to focus on policy issues that require active north-south cooperation—for example, trade and migration, but also counter-terrorism and energy security. To the extent that NATO becomes more active in addressing prob-

lems on the periphery of Europe—implicit in the two previous models—this cooperative, north-south approach becomes more important as a means of balancing what might otherwise be seen very negatively around the southern shores of the Mediterranean. The development of the NATO Initiative has been informed principally by this north-south model, and is part of the geopolitical tradition that views the Mediterranean as a bridge rather than a barrier.<sup>10</sup> Ultimately, this model provides a far less controversial basis for security cooperation in the Mediterranean, and can help to reduce suspicion regarding those aspects of U.S. and European strategy informed by the near-abroad and strategic-waypoint models.

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<sup>10</sup>The classic formulation of this idea was offered by Fernand Braudel in *The Mediterranean and the Mediterranean World in the Age of Philip II*, New York: Harper, 1973 (first published 1949). Other initiatives in this tradition include the proposed Conference on Security and Cooperation in the Mediterranean (CSCM), the 5+5 Dialogue between the Arab Maghreb Union and southern European states, the Mediterranean Forum, and of course, the EU's Barcelona Initiative.

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### Chapter Three

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## NATO'S STRATEGIC TRANSFORMATION: IMPLICATIONS FOR THE MEDITERRANEAN AND THE INITIATIVE

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NATO's strategic transformation will have an important impact on the Alliance's approach to the Mediterranean and on the future of its Mediterranean Initiative. During the Cold War, NATO's strategy, doctrine, and military capabilities were oriented toward deterring a military threat from the Soviet Union. Today, the threats and challenges are more diverse—and more indirect. They range from ethnic conflicts on NATO's borders to threats from the proliferation of weapons of mass destruction, particularly around the Mediterranean.

At the same time, the locus of risks and challenges has shifted. During the Cold War, the main security challenge was located in central Europe along the German-German border. Today, the key challenges and risks are increasingly on Europe's periphery and beyond its borders, particularly in the south. Moreover, in most instances these risks and challenges do not involve a direct threat of military attack against NATO territory; they are much more indirect and ambiguous. But as the conflicts in Bosnia and Kosovo have shown, they still can threaten important Alliance interests.

In response to these changes, NATO has embarked upon a far-reaching process of adaptation and transformation. The debate about "out of area or out of business" that raged in the early 1990s is over. With NATO's involvement in Bosnia—and more recently Kosovo—NATO is out of area and very much in business. It is now recognized that non-Article V challenges—that is, those that do not

involve a direct attack on NATO territory—may present a serious threat to Alliance security and require a military response by the Alliance.

In addition, the Alliance has undertaken a process of enlargement designed to project stability to central Europe, and has launched a number of important new cooperative initiatives aimed at strengthening ties with former adversaries. These initiatives include Partnership for Peace (PFP), the Euro-Atlantic Partnership Council (EAPC), and the Permanent-Joint Council with Russia (PJC). The Alliance has also significantly streamlined its command structure, reducing the number of regional and subregional headquarters.

NATO's new Strategic Concept, adopted at the Washington Summit in April 1999, reflects many of these changes. The previous Strategic Concept, approved at the Rome Summit in November 1991, was written before the collapse of the Soviet Union, the war in Bosnia, and the enlargement of NATO. The new Strategic Concept amends and updates the 1991 document to take into consideration the new security challenges the Alliance will face in the coming decades. A number of these changes have important implications for NATO's approach to the Mediterranean and for NATO's Mediterranean Initiative.

### **NATO'S EXPANDED SCOPE**

Whereas the 1991 Strategic Concept continued to emphasize the threat posed by the Soviet Union, the new Strategic Concept emphasizes risks that are "multidimensional" and often difficult to predict. Moreover, the geographic scope of the risks is expanded in the new Strategic Concept. They now include "uncertainty and instability in and around the Euro-Atlantic area" and the possibility of regional crises on the Alliance's periphery.

In short, both the definition of the risks and their geographic scope have been considerably expanded. Rather than facing a unidimensional threat from a single enemy (i.e., the Soviet Union), NATO today faces a multiplicity of risks, many of which emanate from beyond NATO's borders. Indeed, the new Strategic Concept specifically speaks of risks "in and around the Euro-Atlantic area" and



regional crises "at the periphery of the Alliance" that could affect Euro-Atlantic stability (Paragraph 20).

Thus, in a broad sense the new Strategic Concept reflects a geographic shift away from a preoccupation with a threat in central Europe to a more diverse set of risks, many of which are located in or emanate from the south. This southern prominence reinforces the need for NATO to develop a substantive security dialogue with countries of the Mediterranean basin.

## **WEAPONS OF MASS DESTRUCTION**

The new Strategic Concept puts greater emphasis on the threat posed by WMD. It stresses that nuclear, biological, and chemical (NBC) weapons have become a matter of "serious concern" and that threats from these weapons can pose a direct military threat to Allies' populations, territory, and forces (Paragraph 22). It also notes that Alliance forces must have the capability to address the risks associated with the population of NBC weapons and their means of delivery (Paragraph 53h). Reflecting this new emphasis, the Alliance launched at the Washington Summit a new five-part WMD initiative designed to ensure that NATO will be able to counter the risks posed by WMD in the coming years.

While the new Strategic Concept does not single out any country or group of countries for special attention, many active and potential proliferators are located around or near the Mediterranean littoral. Hence, the emphasis on WMD will tend to give NATO a greater southern focus. At the same time, it will reinforce the need for NATO to develop a deeper security dialogue with countries in the southern Mediterranean, many of whom themselves are threatened by the proliferation of WMD.

## **ENLARGEMENT**

While no new invitations were issued at the Washington Summit, NATO reiterated its intention to keep the door open to new members (Paragraph 39) and launched a new initiative, the Membership Action Plan (MAP), designed to enhance the capability of candidates to improve their qualifications for membership. Five of the nine

aspirants eligible for the MAP, it is worth noting, are in southeastern Europe (Slovenia, Bulgaria, Romania, Albania, and Macedonia). Moreover, many of the most serious security problems NATO faces are in southeastern Europe. Indeed, with NATO's active involvement in Bosnia and Kosovo, NATO's focus will increasingly shift toward the south, further diluting the traditional emphasis on central Europe.

### COLLECTIVE DEFENSE VERSUS CRISIS RESPONSE

Collective defense (Article V) remains a core Alliance mission. At the same time, there is a growing recognition that most challenges the Alliance will face in the future are not likely to involve a direct military threat to NATO territory. Rather, they will involve non-Article V—or “crisis response”—operations. While such contingencies do not involve the threat of direct attack on NATO territory, as noted earlier, they can affect the security interests of the Alliance and thus could require a military response by NATO. Indeed, many of NATO's operations and activities in the future are likely to be non-Article V operations beyond NATO's traditional borders.

The new Strategic Concept reflects this changed balance between collective defense and crisis response. It notes that Alliance forces must be able to carry out a full range of missions. At the same time, these forces must also be able to contribute to conflict prevention and non-Article V crisis response operations (Paragraph 41). Moreover, as noted, many of the risks today emanate from “in and around the Euro-Atlantic area.” As a result, NATO forces need greater mobility and sustainability so that they can operate effectively beyond NATO's borders.

The expanded definition of NATO's interests and scope for action raises questions about how far NATO's geographic mandate extends. Is NATO's new expanded scope for action essentially confined to the Balkans or does it extend to the Mediterranean as well? Is a crisis in Algeria, for instance, within NATO's geographic mandate? What about a crisis in Libya or Sudan?

At the moment, no clear consensus exists within the Alliance on exactly how far NATO's geographic scope extends. Most Alliance members would probably rule out NATO involvement in Middle

Eastern crises. Some, however, consider the Mediterranean to be within NATO's new expanded focus. The expanded definition of NATO's geographic scope and the emphasis on non-Article V operations could spark new concerns in the Middle East and North Africa about NATO's ultimate purposes and goals. Hence, as NATO expands its geographic scope for action, it needs to be particularly sensitive to how this expansion may be perceived in these regions.

### THE MANDATE ISSUE

One of the most divisive issues within the Alliance has been whether NATO can act without a UN mandate. In Kosovo, the Alliance acted without a clear UN mandate, but many Alliance members regard Kosovo as the exception, not the rule, and deny that it has set a precedent for future NATO actions.<sup>1</sup> Indeed, the mandate issue was one of the most contentious issues in the debate over the new Strategic Concept. In the end, the Alliance skirted the question and adopted instead rather general language about the need for Alliance actions to be "consistent with international law" (Paragraph 31). The lack of any specific reference in the Strategic Concept to the need for a UN mandate for NATO operations as well as NATO's action during the Kosovo air campaign—where NATO acted without a clear UN mandate—is likely to make many countries in the Middle East and North Africa uneasy and could stimulate new fears among Dialogue countries that NATO may be more prone to intervene across the Mediterranean.

### ENHANCED POWER PROJECTION CAPABILITIES

Countering many of the new risks and challenges that NATO will face in the coming decades will require a reorientation and restructuring of NATO's military forces, especially those of the European allies, to develop better capabilities to project power. The forces of most European allies are still oriented primarily toward deterring a large ground attack against their national territory (Britain and France

<sup>1</sup>See in particular the speech by German Foreign Minister Joschka Fischer at the NATO Ministerial Meeting in Brussels on December 8, 1998. See also Fischer's interview with Udo Bergdoll and Josef Joffé in the *Süddeutsche Zeitung*, November 27, 1998.

excepted). However, as noted, today there is no direct threat to the territory of NATO members except in the southeast.<sup>2</sup> Most NATO operations—as in Bosnia and Kosovo—will be beyond NATO's borders. The forces of NATO members therefore need to be restructured to develop greater power-projection capabilities.

The new Strategic Concept lays the conceptual ground work for this process and provides concrete guidelines for the restructuring of NATO forces in order to enhance their power-projection capabilities. Particular emphasis is put on deployability, mobility, and survivability of forces and their ability to operate beyond NATO's borders (Paragraphs 53b and 53d). Improvements in these areas are the main focus of the U.S.-sponsored Defense Capabilities Initiative (DCI), approved at the Washington Summit, which aims at increasing interoperability and enhancing the Alliance's capability for power projection. While such a reorientation is necessary to allow NATO to handle the new risks it may face in the coming decades, this adjustment could create the impression in some Middle East and North African countries that NATO is trying to become a global policeman.

### IMPLICATIONS FOR THE MEDITERRANEAN

All told, the changes reflected in the new Strategic Concept should put NATO in a better position to address the key strategic challenges it is likely to face in the future. At the same time, the Alliance needs to be sensitive to how changes in its strategy may be perceived by countries in the south, especially those participating in NATO's Mediterranean Initiative. NATO's expanded scope for action, its willingness to act in some cases without a UN mandate, and its emphasis on the need to enhance its power-projection capabilities could intensify concerns in the Middle East and North Africa about NATO's purposes and objectives, stimulating fears that NATO is now more likely to intervene in these regions. The strong reaction in some Middle Eastern and North African countries to the creation of the

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<sup>2</sup>Turkey is an exception, and continues to face plausible threats to its national territory. Therefore, Ankara will be especially reluctant to see any diminution of the Alliance's emphasis on collective defense (Article V). Greece is similarly sensitive to territorial risks.

WEU's EUROFOR and EUROMARFOR underscores their sensitivity on this issue.

NATO's greater emphasis on the WMD threat could spark similar fears. Despite their own proliferation concerns, many Dialogue members, especially those in the Maghreb, are perplexed by this new emphasis and fear it represents an attempt to portray the Mediterranean region as a new locus of threat and area for NATO intervention. Thus, as NATO moves to develop new means of addressing WMD risks, it needs to ensure that its public diplomacy and military strategy are closely harmonized. Otherwise, misconceptions and misunderstandings may arise that could undermine NATO's effort to develop a more cooperative dialogue and common approach with countries of the southern Mediterranean.

In addition, the Alliance needs to be sensitive to the impact of changes in its strategy on its own southern members. As a Mediterranean country with Middle Eastern borders, Turkey could play an important role in developing NATO's Mediterranean strategy. At the same time, Turkey is unique in the sense that it is the only Alliance member that faces a serious military threat to its territory emanating from the Middle East and which could invoke an Article V commitment. Thus, as the Alliance shifts its emphasis to focus increasingly on non-Article V threats, it should bear in mind Turkey's exposed position, and ensure that this new emphasis does not give the impression that the Alliance is abandoning or downgrading Article V. Similarly, in the western and central Mediterranean, members need an approach to WMD risks that balances military and diplomatic instruments. Counter-terrorism is an issue that some members (and Dialogue countries) will wish to see addressed more actively within the Alliance, but others may prefer to see this as a national or EU area of responsibility.

Taken together, the process of NATO adaptation underscores the need for a clearer and more focused Mediterranean strategy. This strategy needs to reflect—and be shaped by—certain realities. First, the Mediterranean is not a homogeneous region, and NATO needs to take this diversity into account. This recognition suggests a differentiated approach in relations with security partners. Second, the playing field is crowded, with many institutions involved in Mediterranean initiatives. NATO should avoid duplicating what other organizations

are doing. Third, NATO should play to its strength—which is military cooperation—especially in areas such as peacekeeping and humanitarian rescue operations. However, NATO should adopt a flexible approach in developing this cooperation, recognizing that some countries will be more interested in such cooperation than others. Cooperation should be developed on a *case-by-case* basis at a pace at which each country feels comfortable. Finally, as this study has noted, the main security problems in the region are internal, not external. They have deep economic, political, and social roots. NATO is not well suited to deal with these challenges. In most instances, therefore, the EU should take the lead in longer-term strategy toward the internal sources of regional instability.

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**VIEWS AND PERSPECTIVES OF  
THE DIALOGUE COUNTRIES**

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The sources of southern ambivalence identified in our 1998 report continue to influence the shape and outlook for the Mediterranean Initiative. The Dialogue countries still have considerable interest in building a more constructive relationship with NATO and in exploring opportunities offered within the framework of the Initiative. But attitudes remain mixed, especially among the Arab members of the Dialogue. The perceptions of the Dialogue countries are shaped by two long-standing concerns: the Arab-Israeli dispute, and frictions in the broader north-south relationship. These concerns are reinforced by uncertainties surrounding the future role and missions of the Alliance as seen from across the Mediterranean. This last consideration is set to grow in significance, and could ultimately give the Dialogue countries a stronger stake in the Initiative.

**CHANGING INTERESTS, DIFFERING ENGAGEMENT**

As the Initiative has evolved, there has arguably been a subtle eastward shift in its center of gravity. Concerns over Algeria and a period of optimism in the Middle East peace process in the early mid-1990s allowed the North African participants in the Initiative, especially Morocco and Tunisia, to figure prominently in the earlier stages of the Dialogue. Engagement with these countries was also a prominent issue in Alliance discussions of Mediterranean security. The Casablanca Summit, similarly, focused attention on the role of the Maghreb in the mid-1990s. In the late 1990s, a noticeable gap has opened in the character of interest and engagement among the Dialogue members. Egypt, Israel, and Jordan have emerged as the most

active participants in Initiative activities. These are also the countries where interest and debate related to the Initiative are most animated, if not always positive. By contrast, the approach in Morocco and Tunisia is, for the moment, more cautious. So, too, in the western Mediterranean, security issues are less prominent on regional as well as north-south agendas. In the eastern Mediterranean, security issues—many of a hard, military nature—are an accepted part of the landscape.

Attitudes toward the Initiative are becoming more highly differentiated, and in some quarters this has produced a desire for “variable geometry” or variable speeds in Initiative activities. Those countries with a desire for closer engagement (e.g., Israel, Jordan, and Mauritania) will seek opportunities to do so, with or without their Dialogue partners. Resource limitations are another factor separating active from less active participants although, in some cases, reluctance to fund activities such as attendance at NATO courses may go hand-in-hand with reluctance to participate on political grounds. In other cases, cost constraints may be perfectly genuine, and a significant limitation as long as Dialogue activities continue to be conducted on a self-funding basis.

## POLITICAL IMPEDIMENTS

The political impediments to a more active and effective dialogue are well known, and continue to emerge in official and unofficial discussions. The troubled status of the Middle East peace process has clearly been obstacle number one. It has made participation in the Dialogue difficult—although not impossible—for Arab members in fora with Israeli counterparts.<sup>1</sup> As a result, the confidence-building aspect of the Initiative is not fully developed, and lacks a multilateral dimension—a key drawback, given the predominance of south-south risks in the Mediterranean security environment. The results of the 1999 Israeli elections, and promising indications on the Israeli-

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<sup>1</sup>In the NATO context, notable exceptions have included the Civil Emergency Planning seminar on seismic risks held in Athens during 1998, scientific affairs colloquia, and the Rome and Valencia conferences to discuss the future of the Initiative.



Palestinian and Israeli-Syrian tracks, hold the potential for change in the climate for all Mediterranean initiatives.

Lack of progress in the peace process also complicated north-south relations in a broader sense. Critics in the south often ascribed the stalemate in the peace process, especially on the Palestinian track, to lack of European and American pressure on Israel. NATO, in this context, can be portrayed, however incorrectly, as a club of Western countries who have not done enough to foster resolution of the dispute. In more specific terms, Arab-Israeli tensions also constrain the agenda for north-south security dialogue. The proliferation of weapons of mass destruction and ballistic missiles should, by any measure, be among the central issues for discussion in a Mediterranean setting. But WMD issues, for Egypt and other Arab Dialogue states, are seen first and foremost through the lens of the strategic competition with Israel. European and American WMD concerns, by contrast, rarely focus on Israeli programs, concentrating instead on the risky combination of proliferation and unstable or aggressive regimes. Israel's unconventional capabilities are no more of a concern to most Western observers and policymakers than the nuclear arsenals of Britain or France. Many in the Dialogue states view this as evidence of a double standard. The result continues to be a difficult dialogue on this important issue.

The possible re-opening of Israeli-Syrian negotiations could change the landscape in the peace process. Movement toward a comprehensive peace would transform the outlook for the Initiative. Under these conditions, the Dialogue could even come to play a useful role as part of the peace process (although in this case, there may be issues of coordination and possible overlap with the "multilateral track," above all with the Arms Control and Regional Security (ACRS)).<sup>2</sup> Conditions that would allow for a full resumption of the peace process, including negotiations with Syria and Lebanon, might also allow for consideration of their membership in the NATO Dialogue.

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<sup>2</sup>ACRS negotiations among Israel and Arab countries across the Middle East have been stalled for several years, as much a victim of the Nonproliferation Treaty review and its aftermath as of the state of the peace process.

Apart from criticism arising from the peace process, NATO remains a controversial topic in most Dialogue countries. Suspicion of an organization composed, as Middle Eastern critics might say, of former colonial powers and a leading actor in the Cold War, is not limited to uninformed public opinion. Many knowledgeable observers, including some political elites in the southern Mediterranean, remain skeptical of NATO as an institution. The Alliance role in defense of Muslim communities in Bosnia and Kosovo has not gone unnoticed. But many regret the delay in Western action in the former Yugoslavia. The active Western debate on international security sometimes produces analyses that overstate risks emanating from the Mediterranean, and may seem to imply the rise of a new Cold War along north-south lines.<sup>3</sup> Thoughtful analysts and leaderships reject these notions, but there can be little doubt that Samuel Huntington and others have had an effect on the atmosphere for dialogue with NATO.

As the earlier discussion emphasizes, the question of how NATO is perceived is becoming more troubling as the Alliance evolves and takes on new functional missions. Differences within the Alliance may exist over such issues as the proper geographical extent of NATO responsibilities and international mandates, but to observers on the geographic periphery of the Alliance there appears little doubt that one way or another NATO will be playing a more active role outside the treaty area. Dialogue-country perceptions in this context are characterized by considerable interest and suspicion; they are not entirely negative. Europe has an elaborate security architecture and few threats. The southern Mediterranean has many security challenges and no functioning security architecture. For countries such as Israel, at one extreme, cooperation within a transatlantic security framework may be more attractive than participation in regionally based arrangements. For others—Egypt seems the exemplar—regional arrangements are attractive and a natural outlet for a very capable multilateral diplomacy. Smaller states in North Africa may wish to balance the public acceptance problems of ties to NATO with the desire for closer relations as a hedge against regional instability.

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<sup>3</sup>Or rather a return to the very first cold war—the “*guerra fria*” between Spain and the Ottoman Empire, between Islam and the West.

Southern attitudes toward membership in the Dialogue are evolving. With the exception of Israel, there is a general sense that a more inclusive approach would be more natural in terms of Mediterranean geopolitics, and might also give additional weight to the southern side of the Dialogue. As it stands, the Initiative is of necessity a multi-bilateral discussion between a highly organized and capable Western institution and a group of states—some regionally powerful, others not—on the other side of the Mediterranean. The lack of a concerted approach, and the absence of some key regional states, is a source of reservation for some Dialogue participants. Under current conditions, the inclusion of Libya, Syria, and Lebanon is probably impossible and unwarranted. But Algeria is a less straightforward case; there is a mounting sense that Algeria is worth considering as a participant. It remains to be seen whether Dialogue countries with a key stake in this issue, including Morocco, would be supportive (we discuss the pros and cons of Algerian participation in more detail in the final chapter). Tunisia and Egypt seem favorably disposed to the early inclusion of Algeria. As political circumstances evolve, and with movement in the peace process, the question of some form of participation for the Palestinians is almost certain to arise.

## PRACTICAL IMPEDIMENTS

Comments from Dialogue states reveal some further practical concerns. First, as often noted, there has been no shortage of Mediterranean initiatives, including several with a security component. When unofficial, “second track” meetings are included, the variety of north-south fora in the Mediterranean is impressive. As most observers on both sides of the Mediterranean would agree, this level of activity is preferable to the strategic neglect of previous decades. But it does give rise to mounting confusion about roles and agendas, and as some frequent participants describe it, “dialogue fatigue.” Moreover, disenchantment with aspects of cooperation in one fora (e.g., the Euro-Mediterranean partnership) can easily affect the climate in other settings, including the NATO Initiative. Thus, discussions about regional peacekeeping may be influenced by the state of trade negotiations: both are part of the complex of north-south relations in the Mediterranean, and both have consequences for security, broadly defined. Greater emphasis on practical cooperation in

the defense area—a core competence for the Alliance—can help to differentiate the NATO Initiative from other activities.<sup>4</sup>

Second, there is a perception, especially among the smaller Dialogue states, that some exceptions to the self-funding principle must be made if the Alliance is serious about promoting the Initiative. Participation by Dialogue countries in programs at the NATO Defense College and Oberammergau has been good.<sup>5</sup> But not all available places have been filled. Jordan, Egypt, and Israel were the only Dialogue countries participating in courses at Oberammergau.

Third, there is some concern that Dialogue countries have not been involved early or actively enough in the development of the Initiative's work plan by the Mediterranean Cooperation Group (MCG). For example, some Dialogue members were apparently unaware of details surrounding the establishment of NATO contact embassies in their countries. Greater Dialogue-country involvement in the design of Initiative activities would be welcomed and could generate additional interest in participation.

Fourth, some participants have raised the question of the appropriate level for the Dialogue. Several among the Dialogue countries feel that the symbolism of meetings at the Council level, at least on occasion, would make a difference in how the Dialogue with NATO is received. At the same time, they are aware that an upgraded dialogue along these lines may only make sense in a true multilateral context (i.e., with both Arab and Israeli participation). Multi-bilateral meetings at this level are likely to prove impractical, given competing demands at NATO.

## OPPORTUNITIES AND PREFERENCES

A discussion of Dialogue-country attitudes toward the Initiative can easily give a negative impression of its status and prospects that would be misleading. Given the limitations imposed by the political environment, significant progress has been made in fostering

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<sup>4</sup>See the excellent discussion in Alberto Bin, "Strengthening Cooperation in the Mediterranean: NATO's Contribution," *NATO Review*, Winter 1998.

<sup>5</sup>All six countries participated in NATO Defense College courses in the spring of 1998.

information-sharing and dialogue. Moreover, Dialogue countries do have distinct views on how they would like to see the Initiative evolve, beyond the practical issues noted above.

All the active participants prefer that the Dialogue evolve toward more region-specific activities. In essence, this means an agenda focusing on security issues in the Mediterranean, as well as practical steps in such areas as crisis management with application to the region. To the extent that NATO, as a whole, pays greater attention to security issues in the south, this evolution may be a more natural endeavor for the Alliance. Specific issues that could be addressed in this regard include WMD proliferation—controversial, but central—energy security, terrorism and counter-terrorism, civil emergency planning, peacekeeping, and air and maritime search and rescue.

Southern participants, especially Egypt, Israel, and Jordan, would also like to see the information and dialogue aspects of the Initiative augmented by practical forms of cooperation. A PFP for the Mediterranean is not necessarily the goal, but more PFP-like activity would be welcomed and could demonstrate the tangible benefits of links with NATO. An evolution in this direction will also require a degree of variable geometry or a multi-speed approach. Sufficient interest now exists among certain members of the Dialogue that a lowest common denominator approach may be unduly limiting. There should be greater scope to pursue more intensive cooperation, and a greater degree of differentiation where appropriate.

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**OTHER MEDITERRANEAN INITIATIVES:  
STATUS AND OUTLOOK**

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NATO's Initiative is one of several frameworks that seek to enhance cooperation in the Mediterranean. The recent experience of other regional initiatives—including the EU's Barcelona Process, the Mediterranean Forum, the Middle East and North Africa (MENA) summits, the Organization for Security and Cooperation in Europe's (OSCE) Mediterranean Contact Group, and the WEU's Mediterranean Dialogue—offers useful insights into the dilemmas of Mediterranean cooperation.<sup>1</sup>

This chapter provides a brief update on these Mediterranean cooperation frameworks by examining their progress, limitations, and future prospects. It concludes by discussing some lessons to be learned, and how the NATO Dialogue fits in the broader context of Mediterranean cooperation.

**THE EU'S BARCELONA PROCESS**

The EU Mediterranean Partnership, launched in Barcelona in late 1995, remains the most ambitious cooperation framework in the region. It can boast the largest membership—all EU countries as well as Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey, and the Palestinian National Authority—and

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<sup>1</sup>To these initiatives one could also add the "Five-plus-Five" Dialogue, the proposal for a CSCM, and the ACRS Working Group. These frameworks have either never been implemented or have been suspended for several years, and are therefore not covered here.

the widest scope of cooperation, including free-trade agreements, security discussions, and cultural and civil society dialogues.<sup>2</sup> The large number of Euro-Mediterranean seminars, conferences, and research institute networks are coordinated during regular meetings of government representatives and official foreign ministerial summits. Activities have included expert discussions on issues such as energy trade. While the Mediterranean partnership has evolved in all cooperation "baskets," developments in the fields of security and economic cooperation carry the greatest implications for the future of the Barcelona Process. Each is briefly examined below.

### Security Cooperation

The most significant project undertaken by the EU's Mediterranean security dialogue has been the drafting of a security charter. After two years of negotiations, the ambitious set of confidence-building measures expected to be included in the charter (such as a code of good neighborly conduct, a framework for search-and-rescue exercises and military information exchanges) has yet to gain the approval of all Dialogue members.<sup>3</sup>

The delay in obtaining consensus stems in part from partner suspicion that the EU will use the charter to impose its own Mediterranean security agenda.<sup>4</sup> However, the state of the Middle East peace process has proven to be the most critical stumbling block, since continuing Arab-Israeli tension precludes the necessary consensus for the document's approval. This impediment was particularly evident during the 1997 Malta summit and the 1998 Palermo informal meeting of foreign ministers, where Arab-Israeli frictions were all too evident.<sup>5</sup>

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<sup>2</sup>At the Stuttgart Summit of April 1999, Libya was invited to participate as an observer. Tripoli probably will join the Barcelona Process as a full member in the foreseeable future.

<sup>3</sup>Only a set of broad guidelines, approved at the Stuttgart Summit in April 1999, has so far gained the approval of all participants.

<sup>4</sup>George Joffé, "The Euro-Mediterranean Partnership: Two Years After Barcelona."

<sup>5</sup>"Arabs vow to thwart Israel at Euro-Med meeting," *The Jerusalem Post*, June 3, 1998, p. 2.

Despite the slow pace of charter negotiations, less politically charged elements of the security dialogue are continuing, including regular meetings of security officials and plans to organize a series of seminars on disaster mitigation and management. The security partnership is also supported by a 34-member network of international affairs and strategic studies institutes, EuroMeSCo.<sup>6</sup> EuroMeSCo's most significant advantage lies in its formal link to key Barcelona Process decisionmakers, including European Commission officials.<sup>7</sup>

### Economic Cooperation

The Euro-Mediterranean partnership in economic affairs is less affected by the vicissitudes of the peace process—economic cooperation focuses mainly on technical issues, and usually takes place in a bilateral setting between the EU and each Mediterranean partner. The ultimate goal of economic cooperation is the establishment of a free trade area, backed by a series of trade liberalization protocols (association agreements) between the EU and each Mediterranean partner. Association agreements have so far been signed with Tunisia, Israel, Morocco, Jordan, and Egypt. The EU has negotiated a similar free-trade pact with the Palestinian Authority. Progress has been slower in negotiating association agreements with Algeria, Lebanon, and Syria.<sup>8</sup>

Free trade may well bring long-term benefits to participating countries as a result of faster economic growth and greater government accountability and transparency.<sup>9</sup> However, the economic partnership will have to confront a series of unresolved issues.

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<sup>6</sup>European Commission, "EuroMesco: The Network of Foreign Policy Institutes," *Euro-Mediterranean Partnership Information Note*, Number 30, June 1998.

<sup>7</sup>Joffé, "The Euro-Mediterranean Partnership: Two Years After Barcelona."

<sup>8</sup>"Free Trade Accords with EU Heighten Need for Tax Reform in Southern Mediterranean Region," *IMF Survey*, vol. 27, no. 16, August 17, 1998, p. 266.

<sup>9</sup>According to studies on the long-term implications of Euro-Mediterranean association agreements for those partners that have already concluded such agreements, Morocco and Tunisia are likely to benefit from welfare gains equivalent to around 1.5 percent and 4.5 percent of their Gross Domestic Product (GDP) per year, respectively. See Peter A. Petri, "Trade Strategies for the Southern Mediterranean," OECD Development Center, *Technical Paper No. 127*, December 1997.



Mediterranean partners will face significant short-term losses; the benefits will be reaped mostly in the long term. In the short run, association agreements are unlikely to improve market access dramatically for southern Mediterranean products.<sup>10</sup> Removal of import tariffs on EU goods will instead reduce government revenues, especially in countries highly dependent on import duties such as Lebanon.<sup>11</sup> The MEDA program—the Barcelona Initiative's principal economic aid instrument—probably will be unable to provide a financial cushion during structural adjustment.<sup>12</sup>

The association agreements could create a "hub-and-spoke" system of relationships with Europe, stifling new foreign direct investment in partner economies. A hub-and-spoke system is encouraged by lack of economic integration among partner countries. This reality would prompt companies serving several regional markets to locate in Europe instead of in the region itself, to take advantage of bilateral free-trade agreements.<sup>13</sup>

Even with greater regional integration, intra-regional trade is unlikely to increase significantly. The limited prospects for intra-regional integration—with the possible exception of Israeli-Arab trade—are determined by the small size of the region's economies, their similar industrial composition, and their proximity to the large and complementary economies of Europe.<sup>14</sup>

Harmful trade diversion may occur in those countries with diversified trade patterns, including Egypt, Jordan, and Lebanon.<sup>15</sup> The

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<sup>10</sup>Bernard Hoekman and Simeon Djankov, "The European Union's Mediterranean Free Trade Initiative," *The World Economy*, vol. 19, no. 4, July 1996; and Petri, p. 45.

<sup>11</sup>"Free Trade Accords with EU Heighten Need for Tax Reform in Southern Mediterranean Region," p. 266.

<sup>12</sup>The performance record of the MEDA assistance program has been mixed at best, and marred by a scandal over the management of its financial resources. See the report prepared by COWI Consulting Engineers and Planners, *Evaluation of Aspects of EU Development Aid to the MED Region*, available on the internet at: <http://www.euromed.net>. See also "Audit Office Report Reveals EU Fraud, Mismanagement," *Brussels De Morgen*, November 17, 1998, pp. 1–10, Foreign Broadcast Information Service (FBIS) WEU-98-321.

<sup>13</sup>Petri, pp. 45–46.

<sup>14</sup>See Petri, p. 30, and "Arab trade. With whom?", *The Economist*, October 10, 1998.

<sup>15</sup>Petri, p. 46.

EU's ability to stimulate higher growth in the southern Mediterranean also depends on a number of factors external to the Barcelona Process. On the positive side, the likely increase in the Gross Domestic Product (GDP) of the Euro zone following the introduction of the single currency could stimulate the growth of Mediterranean partner economies.<sup>16</sup> On the negative side, such growth will be hampered by the continuing lull in world oil prices and the persistent foreign debt problem.<sup>17</sup>

Above all, the aid and investment aspects of the Barcelona Process—always modest in comparison to programs aimed eastward and the EU's own "cohesion" spending—will face new pressures as EU budgets come under greater scrutiny. The political-economic landscape in Europe over the next decade seems unlikely to support high levels of assistance across the Mediterranean.

### Future Prospects

The Barcelona Process is a long-term framework, and European Commission officials argue that its benefits will become increasingly apparent in the coming years. However, until the peace process moves beyond the current impasse, there are definite limits to how far the Euro-Mediterranean partnership can advance in the security arena. To be sure, low-profile activities such as seminars, periodic meetings of senior officials, and EuroMeSCo meetings are useful ways of keeping the Dialogue alive, but they are unlikely to spark qualitative leaps forward. For similar reasons, a shift in the EU's Mediterranean security agenda from "soft" to defense-related issues remains improbable for the foreseeable future.

The exposure of the Euro-Mediterranean partnership to the vagaries of the peace process highlights the current inability of this initiative to serve as a forum for conflict resolution. Neither the EU nor its southern partners wish to expand the Dialogue to include issues

<sup>16</sup>"Economic Policy Challenges Facing the Euro Area and External Implications of EMU," *IMF World Economic Outlook*, September 1998, p. 108.

<sup>17</sup>Oil prices have obvious implications for the energy-exporting economies such as Algeria, Egypt, Syria, and Tunisia. They also have an impact on those Mediterranean countries with significant trade relations with Gulf states. See Petri.

directly pertaining to the peace process. The fact that the region's most controversial disputes will need to be settled elsewhere imposes definite limits on the partnership's ability to pursue an independent Mediterranean cooperation agenda.

EU economic leverage on Mediterranean partners remains significant. Economic integration between Europe and the southern Mediterranean is likely to continue, but more attention needs to be paid to the short-term costs of structural adjustment in the south. The EU will need a careful approach to the transition of partner countries, with special attention to the distributional implications of liberalization—both within partner countries and between the partners and the EU. Europe's failure to yield on some sensitive economic issues, such as the liberalization of agricultural goods, may eventually have negative and significant political ramifications.

## **OTHER INITIATIVES**

Beyond the Barcelona Process, other initiatives have played a role in Mediterranean cooperation. As argued below, these frameworks vary in their nature and goals, but all operate within strict limits that constrain their ability to change the environment for confidence building and foster practical security cooperation.

### **The Forum for Dialogue and Cooperation in the Mediterranean (Mediterranean Forum)**

The eleven members of the Mediterranean Forum—Algeria, Egypt, France, Greece, Italy, Malta, Morocco, Portugal, Spain, Tunisia, and Turkey—continue to hold regular ministerial meetings on regional issues. Foreign ministerial summits are supported by working groups on political, economic, and cultural dialogue. In its sessions the forum has discussed the Middle East peace process, terrorism, and organized crime, as well as economic and cultural cooperation. The major weakness of the Mediterranean Forum is its lack of substantive discussion and concrete cooperation activities. Despite its limitations, the forum continues to be useful as an informal grouping with an open agenda.

### **MENA Summits**

Between 1994 and 1997, the World Economic Forum organized four yearly summits to encourage private sector investment in the MENA region. Conferences were supported by a permanent secretariat, and the establishment of a MENA development bank was agreed to in principle. The last MENA Summit was held in Doha, Qatar, at the end of 1997. Continuing tension in the Middle East has prompted the World Economic Forum to shelve plans for a 1998 conference, and to postpone all MENA activities indefinitely.<sup>18</sup> The process began to unravel in earnest in Doha when all major Arab states—including Algeria, Egypt, Lebanon, Morocco, Saudi Arabia, and Syria—boycotted the summit to protest Israeli policies on the West Bank. The fate of the secretariat, the MENA development bank, and indeed of the entire initiative remains unclear. Although not a security initiative per se, the MENA Summits are security-related to the extent that they are aimed at expanding the constituency for peace in the region, as well as fostering stability through development. The summits have also suffered from the perception in some quarters that they are competitive with EU Mediterranean initiatives.

### **The OSCE's Mediterranean Dialogue**

The OSCE established an informal contact group with representatives from Algeria, Egypt, Israel, Morocco, and Tunisia at the 1994 Budapest Review Conference. Jordan has recently joined this group. The OSCE organizes yearly summits for its Mediterranean partners—the latest was held in October 1998 in Malta and focused on the human dimension of security, the promotion of democracy, and the rule of law.<sup>19</sup> OSCE Mediterranean partners also attend other OSCE seminars and the yearly ministerial meetings.

OSCE can play a role in fostering Mediterranean cooperation. But the OSCE's principal focus is elsewhere, and the organization is unlikely to substantially increase its involvement in the Mediterranean. However, the OSCE's relatively low profile has allowed this ini-

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<sup>18</sup>World Economic Council Yearly Report, 1997.

<sup>19</sup>"Mediterranean Seminar Looks at the Human Dimension, Democracy and the Rule of Law," *OSCE Newsletter*, vol. 5, no. 10, October 1998.

tiative to continue despite persistent tensions in the Middle East. The OSCE model has also been influential in discussions surrounding ACRS (the multilateral regional security talks within the peace process), and carries forward some of the ideas associated with the CSCM proposal.

### **The WEU's Mediterranean Dialogue**

The WEU Dialogue began in 1992 in order to exchange views on Mediterranean security and defense issues. Jordan has recently joined Algeria, Egypt, Israel, Mauritania, Morocco, and Tunisia in the WEU initiative. Dialogue takes place between WEU representatives and officials and Mediterranean partner ambassadors in Brussels. Political talks are supported by a series of activities, including seminars on Mediterranean security, occasional briefings by the WEU military staff and planning cells, information seminars involving military staff from WEU and Mediterranean partner countries, and visits to the WEU satellite center. Mediterranean partner representatives were also invited to observe the WEU's recent CRISEX crisis management exercise.

The WEU would like to couple its Mediterranean Dialogue with the EU's Barcelona Process.<sup>20</sup> Such moves have been resisted by some Barcelona Process members who do not wish to see the EU Dialogue take on a military dimension. Moreover, Mediterranean partners remain skeptical about EUROFOR and EUROMARFOR, two WEU-related multinational military formations with a power-projection focus.<sup>21</sup> These formations figure to a remarkable degree in North African critiques of Western security policy, and are often described as emblematic of a growing European interest in military intervention across the Mediterranean.<sup>22</sup>

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<sup>20</sup>To this end, the WEU Institute for Security Studies and Italy's Istituto Affari Internazionali recently organized a seminar on the WEU's role in the Mediterranean and the Euro-Mediterranean partnership.

<sup>21</sup>"Spain: EUROFOR Chief: Force Operational, No Threat to North Africa," Madrid ABC (Internet version) December 27, 1997, FBIS-WEU-97-361.

<sup>22</sup>To reduce partner suspicion of European military formations, the French invited Moroccan planes to participate in the air portion (ODAX) of the large EUROFOR and EUROMARFOR exercise in 1998 (Eole '98). Mediterranean partner officials have also been invited to visit EUROFOR headquarters in Florence.

More fundamentally, the Cologne Summit decisions taken by the European Council in June 1999 call into question not only the future of the WEU Dialogue but the fate of the WEU itself. European leaders agreed to transfer the essential functions of the WEU to the EU. This transfer will eventually lead to the termination of the WEU as an independent institution. Elements of the Dialogue are likely to be incorporated in the EU's Barcelona Process. However, some Barcelona Process partners will continue to resist discussion of military issues for the foreseeable future.

### IMPLICATIONS FOR THE NATO DIALOGUE

The Barcelona Process remains the pivotal Mediterranean initiative. Together with the existing network of bilateral relations, it is the critical vehicle for north-south relations in the Mediterranean. In essence, it is Europe's mechanism for addressing the underlying issues of stability on its underdeveloped periphery. Failure of the economic or political components of the EU's Mediterranean partnership would have negative repercussions for all other cooperation initiatives. Barcelona is the natural political-economic counterpart for a NATO Mediterranean Initiative that focuses to a growing extent on defense cooperation.

The state of the Middle East peace process will continue to be the barometer for Mediterranean cooperation. This connection will be especially valid for those initiatives that have a high political profile and are based on multilateral dialogue, such as the Barcelona Process.

No single initiative can address the longer-term and proximate sources of instability in the region—but now a number of overlapping (and in some cases, moribund) cooperation frameworks are in place. Some rationalization and specialization is in order. In this regard, Barcelona and the NATO Initiative are emerging as complementary frameworks with the most to offer, although other initiatives may play useful niche roles (e.g., the OSCE on civil-military relations).

The key role played by the Barcelona Process makes informal coordination between NATO and the EU necessary, especially in light of the EU-WEU merger. Further development of the EU's CFSP and the

European Security and Defense Identity (ESDI) within NATO may also make such coordination more useful and acceptable.

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## THE FUTURE OF THE INITIATIVE

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Despite significant political impediments and a continuing degree of ambivalence on the part of participants, NATO's Mediterranean Initiative has served some very useful purposes. First, it has been a key vehicle for information-sharing and dialogue with Mediterranean partners on the nature of the Alliance. This communication is especially important at a time when NATO is changing in ways that directly affect the Mediterranean security environment. The task of dispelling misperceptions regarding the Alliance is essential, and this information dimension—including the task of understanding strategic perceptions in the south—should remain a priority as the Initiative evolves. The establishment of Contact Point Embassies can make a special contribution in this regard. Second, the Dialogue provides a framework for confidence-building that can be given additional substance, including a true multilateral form, as political circumstances permit. Third, the Dialogue has opened the possibility of moving from discussion to practical cooperation in areas of comparative advantage for the Alliance, and with interested partners. Finally—and perhaps most important—the Initiative, including the establishment of the MCG, has encouraged Alliance members themselves to focus on Mediterranean security issues. As our analysis suggests, the question of NATO's strategy toward the south is acquiring greater importance, and is reflected in the new Strategic Concept and post-Kosovo debates about the future of the Alliance.

### A LONGER-TERM VISION

The core objective of political dialogue retains its importance, but the Initiative is now at a stage where further development is required



if Alliance and Dialogue countries are to remain actively engaged. Defining a longer-term vision for the Initiative is essential. In our view, this vision should have the following components:

- *Make the Initiative an integral part of NATO's own strategy toward the south.* The new Strategic Concept places greater emphasis on new functional missions oriented toward the defense of common interests, as well as the defense of member territory. These new missions will be most relevant and most likely to be performed on Europe's southern periphery. The Initiative can play an integral part in assuring that NATO can perform these missions in a cooperative climate. This approach can parallel in some (although not all) ways the role of PFP and the EAPC in NATO strategy toward Europe and Eurasia.
- *Acknowledge the key role of the EU in the longer-term evolution of relations around the Mediterranean.* Regardless of shortcomings, EU policies toward the Mediterranean will play a vital role in shaping the security environment—broadly defined—in a region where social and economic challenges predominate. A specific NATO-EU mechanism for coordination on Mediterranean issues may not be practical. The larger problem concerns the absence of formal mechanisms for NATO-EU coordination generally. A more active role for the EU in foreign and security policy will require (and probably encourage) closer coordination between the two institutions. It is essential that Mediterranean policy be made part of this larger NATO-EU agenda.
- *Focus on areas of comparative advantage for the Alliance.* The Initiative can usefully address "soft" security issues, i.e., nonmilitary risks. But these should not be confused with the broad-gauge social and economic questions such as migration, trade, and unemployment that are more properly handled by the EU. As the Initiative evolves, however, it can and should begin to foster practical cooperation in areas where the Alliance has a comparative advantage, from crisis management to civil emergency planning and defense. Military cooperation, including training and joint exercises where appropriate, will offer tangible benefits. It will help the Alliance to operate effectively in the south and contribute to regional security and confidence-building. Not least, it will also give key Alliance members,

including the United States, a greater stake in the future of the Initiative.

- *Base future activities on a “cooperative security” model for the Mediterranean.* After decades of neglect, the Mediterranean is becoming more central to strategic debates and defense planning. It will serve the interests of NATO and its Dialogue partners to ensure that the Mediterranean is seen as more than simply Europe’s “near abroad” or a logistical way-point to interests elsewhere—however attractive these models may be to Western strategists. As our analysis suggests, most of the new risks in the Mediterranean are transregional and the stakes in addressing them are shared. A north-south dialogue about security should pave the way for more active cooperation.

## POLICY RECOMMENDATIONS AND NEXT STEPS

- *Reinforce the nongovernmental dimension.* Resources devoted to information activities and outreach are well spent in an area where NATO is often misperceived, especially as the Alliance itself continues to change. Given the political climate in the Middle East, unofficial or “second track” meetings make a special contribution to a dialogue that can be difficult to conduct on a multilateral basis at the official level. Consideration should be given to establishing a “Mediterranean defense studies” network, bringing together experts from security institutes in Dialogue countries and on both sides of the Atlantic. The effect of this would be to give a transatlantic (and NATO focused) dimension to the existing and very useful EuroMeSCo network.
- *Reinforce the Dialogue by making it more region-specific.* General discussion about NATO and its role remains important. But Dialogue-country interests and NATO’s own growing attention to the Mediterranean point to the need for a more region-specific agenda. This recognition implies a focus on key issues where concern is shared—even if perspectives may differ sharply: terrorism, energy security, refugee flows (rather than the more general issue of economic migration), civil emergency planning, and the proliferation of WMD and ballistic missiles. A more region-specific approach would be encouraged by giving

Dialogue countries a larger role in development of the MCG work plan.

- *Provide for "variable geometry" in dialogue and cooperation.* As the Initiative continues to evolve there will be differences in interest and enthusiasm among the Dialogue countries. This disparity is already evident. Countries with an interest in more active engagement should be able to pursue the Initiative within a more flexible framework. In short, cooperation should be developed on a case-by-case basis. Some countries such as Egypt and Israel may be ready for limited military cooperation, but others may not—and some may never be. Obviously, the desire to foster multilateral approaches will place limits on this differentiation, but the Initiative should not be a lowest common denominator for cooperation.
- *Move toward practical, defense-related activities.* As noted, this is a leading opportunity for reinvigorating the Initiative with Dialogue countries as well as key Alliance members. The idea of a PFP for the Mediterranean is probably premature, and in any case some of the objectives of PFP in Europe do not apply in the Mediterranean. NATO membership is not on the agenda in the south. But PFP-like cooperative activities concerning defense can contribute to strengthening the Initiative.

Interested Dialogue partners could participate directly in training and exercise programs for peace support. This involvement would build on the experience of Egyptian, Jordanian, and Moroccan participation in IFOR and SFOR in Bosnia. In this context, the military activities conducted by ACE and ACLANT with Dialogue countries could be enhanced to include exercises with interested participants.<sup>1</sup> Air and maritime search and rescue would be a good starting point, together with noncombatant evacuation and refugee-control operations. Ultimately, it may be useful to establish more formal arrangements for the participation of Dialogue countries in regional peace support operations through Combined Joint Task Forces (CJTFs).

<sup>1</sup>In 1998, Allied Command Europe (ACE) and Allied Command Atlantic (ACLANT) together offered 34 military activities to Dialogue countries as observers. See Bin, p.27.

In this same vein, NATO should explore ways of applying its military expertise to the security problems of Dialogue countries in ways that are visible to public opinion. NATO could coordinate the mine-clearing efforts of member countries in Egypt as an activity undertaken within—or in the spirit of—the Mediterranean Initiative.<sup>2</sup>

- *Give the Initiative a parliamentary dimension.* As noted in this analysis and elsewhere, NATO's problem of public acceptance in the south extends, in many cases, to political elites. In several Dialogue countries, parliaments now play a serious and legitimate political role. The debate on foreign and security policy, including relations with NATO, is also becoming more active. The Initiative can engage these elites effectively by embracing the well-established Mediterranean Dialogue organized by the NATO Parliamentary Assembly (NPA).<sup>3</sup> Making this NPA activity a formal part of the Initiative would also contribute to rationalizing the many ongoing fora and would provide a coordinated framework for discussion of NATO-related issues in the south.
- *Consider expanding the Dialogue to include Algeria.* Over time, pressures will build to include additional southern Mediterranean states in the Dialogue. For the moment, the only practical candidate is Algeria. Arguments can be made on both sides of this question. On the negative side, Algeria is a difficult case as a result of the continuing instability, as well as sensitivities regarding policy toward Algiers and the behavior of the regime. There is some risk that Algiers will see participation in the Dialogue as a vehicle for engaging others in its internal security problems (although the demonstrated unwillingness of the Algerian leadership to allow outside actors any role in the crisis makes this unlikely). On the positive side, the situation in Algiers

<sup>2</sup>Italy, Germany, and the United Kingdom have already agreed to collaborate in mine-clearing operations by sending their experts and equipment, as well as by training Egyptian personnel. "Italy: Italy-Egypt Sign Military Accord; Andreatta, Tantawi Cited," *La Stampa* (Turin), March 24, 1998, p.10, FBIS-WEU-98-083.

<sup>3</sup>Parliamentarians from Dialogue countries regularly attend NPA sessions, and special Dialogue meetings have been held on Mediterranean affairs, the most recent in Cairo in December 1998. See Simon Lunn, "NATO's Parliamentary Arm Helps Further the Aims of the Alliance," *NATO Review*, Winter 1998.

is less stark than a few years ago. Participation in a dialogue with NATO and other regional states is unlikely to harm the political situation, and it might possibly help by fostering transparency. NATO has already established some contacts with Algeria, most notably through Algerian participation at an ACLANT conference in the fall of 1998, and high-level visits by civilian and military officials of key member states.<sup>4</sup>

Above all, Algeria is an important regional actor that has played an active international role in the past and could well do so again. The country is already a member of other Mediterranean cooperation initiatives. Some central issues for the future of the Dialogue, including energy security and proliferation, are difficult to address without Algeria. There should be strong interest on the Algerian side, and many MCG and Dialogue states are open to Algeria's inclusion. On balance, we believe Algerian participation could contribute to the longer-term aims of the Initiative.

- *Increase resources and make exceptions to the self-funding principle where necessary.* Enlargement, Balkan operations, and an active PFP program place substantial pressures on NATO budgets. But given the growing, functional focus on NATO missions oriented toward the south, additional resources for the Initiative would pay dividends in helping to shape the Mediterranean security environment. In particular, the MCG should consider establishing guidelines to determine when and how costs for Dialogue-country participation in Initiative activities can be covered by NATO. Exceptions to the self-funding principle will be necessary if the Alliance is serious about a more active program of Mediterranean cooperation.
- *Where possible, embrace existing bilateral (and multilateral) defense exercises.* Alliance members already have an extensive and, in some cases, longstanding network of bilateral defense cooperation in the Mediterranean. In many cases, multilateral-

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<sup>4</sup>"Algeria: Algeria Invited to Participate in NATO Naval Conference," Algiers *El Watan* (Internet version) September 2, 1998, FBIS-NES-98-245. The U.S. Navy has also conducted joint search-and-rescue exercises with Algeria. See "Algerian, US Navies Conduct First Joint Exercise," *Jane's Defence Weekly*, October 14, 1998.

izing these activities will be appropriate. But where expedient, consideration should be given to "capturing" joint exercises, exchanges, and other activities for the Initiative—in other words, giving them a NATO hat. Overall, this inclusion would be a very cost-effective way of giving substance to a cooperative security strategy in the south. Israel and Egypt would be central actors in this approach, but others, including Tunisia and Morocco, participate in bilateral programs that could be given a NATO dimension.<sup>5</sup> At a minimum, much existing bilateral cooperation could be described as in the spirit of NATO's Initiative, along the lines of the practice in PFP.

- *Consider establishing a crisis prevention and confidence-building network for the Mediterranean.* The rise of transregional security challenges, together with the fragmented nature of security cooperation in the region, argues for the creation of a communications network taking advantage of new information technologies. The purposes of the network could range from the dissemination of invitations for expert seminars to the pre-notification of military activities and coordination of civil emergency response. Equipment for this purpose could be lodged in participating ministries, or in national security studies institutes.<sup>6</sup>
- *Make an enhanced Mediterranean Initiative part of the post-Washington Summit agenda.* The Summit and the elaboration of a new Strategic Concept have been followed with keen interest by southern Mediterranean states. It is therefore a propitious time to pursue new steps aimed at reinforcing cooperation with

<sup>5</sup>Mediterranean partners such as Tunisia and Morocco have established military cooperation agreements with the United States, Spain, France, and Italy. Egypt has an extensive agenda of military cooperation, which includes combined naval maneuvers with Italy and France (Cleopatra) and a large ground and amphibious force exercise with the participation of the United States, Italy, France, and the United Kingdom (Bright Star). Egypt has also recently held joint military exercises with Greece (Alexandria '98). Israel, of course, has its own extensive cooperation program with the United States, and to an increasing extent, with Turkey. See Egyptian Ministry of Defense, *Armed Forces Annual Report*, 1996; and "Greece: Greece, Egypt to Hold Military Maneuvers," *Athens News Agency*, November 24, 1998, FBIS-WEU-98-328.

<sup>6</sup>The OSCE has been active in setting up such a network in Europe, and arrangements for a similar regional security network were well advanced in the context of ACRS in the mid-1990s.

Dialogue countries. Post-Summit outreach should highlight the development of a region-specific agenda and prospective PFP-like defense cooperation activities. Above all, NATO should stress the importance of a practical, cooperative-security approach to the Mediterranean as an area of growing interest for the Alliance.